

WHEREAS, following these discussions the Parties have each determined that their interest and the public interest would be best served by reaching an agreement on matters set forth in Southern Company's Application in the above-captioned case under the terms and conditions set forth below:

1. The Parties agree to stipulate into the record before the Commission the direct testimony of the following witnesses without objection, change, amendment or cross-examination with the exception of changes comparable to that which would be presented via an errata sheet or through a witness noting a correction.

A. Southern Company witness: Robert A. Schaffeld; and

B. ORS witness: Randy Watts (Revised Direct Testimony).

2. As a compromise, the following is adopted, accepted, and acknowledged as the agreement of the Parties:

A. ORS will not oppose Southern Company's Application for a Certificate of Environmental Compatibility and Public Convenience and Necessity for the Construction and Operation of a new 230-kv transmission line to run less than one mile in Cherokee County, South Carolina;

B. Southern Company agrees to notify ORS and the Commission once all necessary rights-of-way of the affected landowners are secured and provide proof that such rights have been obtained;

C. Southern Company agrees to follow all South Carolina, Commission and local government regulations and laws arising from matters set forth in the Application;

D. Southern Company will notify ORS and the Commission of any significant modifications to the construction schedule or plant design; and,

E. Southern Company will notify ORS and the Commission when the facility begins commercial operation and of any changes to the planned commercial operation date.

3. The Parties agree this Stipulation is reasonable, in the public interest and in accordance with law and regulatory policy.

4. Further, ORS is charged with the duty to represent the public interest of South Carolina pursuant to S.C. Code §58-4-10(B) (Supp. 2008). S.C. Code §58-4-10(B)(1) through (3) reads in part as follows:

“...‘public interest’ means a balancing of the following:

- (1) Concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) Economic development and job attraction and retention in South Carolina; and
- (3) Preservation of the financial integrity of the State’s public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.”

5. The Parties agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation be accepted and approved by the Commission as a fair, reasonable and full resolution in the above-captioned proceeding. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Stipulation and the terms and conditions contained herein.

6. This written Stipulation contains the complete agreement of the Parties. There are no other terms and conditions to which the Parties have agreed. The Parties agree that this Stipulation will not constrain, inhibit or impair their arguments or positions held in future proceedings, nor will the Stipulation or any of the matters agreed to in it be used as evidence or precedent in any future proceeding. If the Commission should decline to approve the Stipulation in its entirety, then any Party desiring to do so may withdraw from the Stipulation without penalty.

7. This Stipulation shall be interpreted according to South Carolina law. The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Stipulation by authorizing its counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and e-mail signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the various signature pages combined with the body of the document constituting an original and provable copy of this Stipulation.

WE AGREE:

Representing and binding the South Carolina Office of Regulatory Staff



Shannon Bowyer Hudson, Esquire

South Carolina Office of Regulatory Staff

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WE AGREE:

Representing and binding the Southern Power Company d/b/a Southern Power Company-South Carolina



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THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2009-165-E

IN RE: Application of Southern Power Company d/b/a)
 Southern Power Company-South Carolina for a)
 Certificate of Environmental Compatibility and) **CERTIFICATE OF**
 Public Convenience and Necessity for the) **SERVICE**
 Construction and Operation of a New 230-kV)
 Transmission Line in Cherokee County, South)
 Carolina)

This is to certify that I, Pamela J. McMullan, have this date served one (1) copy of the **STIPULATION** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

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South Carolina Department of Natural Resources
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The Honorable David Hogue, Mayor of Blacksburg
105 S. Shelby Street
Blacksburg, SC, 29702

Rick Peterson, Safety/Emergency Management Director
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The Honorable L. Hoke Parris, Chairman, Cherokee
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Pamela J. McMullan

June 25, 2009
Columbia, South Carolina